VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

DIVISION OF APPLICANT: EQUITABLE RESOURCES EXPLORATION GAS AND OIL DOCKET NO. VGOB-93-0420-0369 RELIEF SOUGHT: EXCEPTION TO STATEWIDE SPACING LIMITATIONS PRESCRIBED BY VIRGINIA CODE ANN. § 45.1-361.17(A)(2) LEGAL DESCRIPTION: WELL NUMBER V-2867 PVRC TRACT NO. WI-191 COEBURN QUADRANGLE LIPPS MAGISTERIAL DISTRICT WISE COUNTY, VIRGINIA

REPORT OF THE BOARD

FINDINGS AND ORDER

- 1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on April 21, 1993, Ratliff Hall, Southwest Virginia 4-H Center, Abingdon, Virginia.
- 2. Appearances: Douglas S. Tweed, Attorney with the firm of Hunter, Smith and Davis, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
- 3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.
- 4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for EREX Well Number V-2867 for the production of conventional gas from the surface to total depth drilled of 6000 feet and all areas in between, including, but not limited to the Devonian Shales, Lee Sands, Berea, Coffee Shales, Borden, Sunbury, Weir, Ravencliff, Maxon and Big Lime Formations, all in accordance with Applicant's well work permit. The Applicant requests the Board's consent to drill Well Number V-2867 closer than 2640 feet to EREX Well Number V-2372 as depicted on Composite Exhibit A.
 - 5. Amendment: None.
- 6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landsman testified that the location exception was necessary due to environmental constraints, accommodation of other mineral interests and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

- 7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2867 within 1828.19 feet of Well Number V-2372.
- 8. <u>Findings</u>: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.
- 9. Effective Date: This Order shall be effective on the date of its execution.

 DONE AND EXECUTED this 5 day of May, 1993, by a majority of the

Virginia Gas and Oil Board.

Chairman Benny R Wampler

DONE AND PERFORMED this 3th day of Noy , 1993, by Order of this

Byrod Thomas Fulmer/ Principal Executive To The Staff Virginia Gas and Oil Board

STATE OF VIRGINIA COUNTY OF WISE

Acknowledged on this 5th day of Mary, 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett Notary Public

My commission expires 7/31/94

STATE OF VIRGINIA COUNTY OF WISE

Acknowledged on this day of , 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron T. Fulmer, being duly sworn did depose and say that he is Principle Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis Notary Public

My commission expires 9/30/97





